

Message Text

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PAGE 01 STATE 068034
ORIGIN TRSE-00

INFO OCT-01 EUR-12 ISO-00 OES-07 L-03 EB-08 CIAE-00
INR-10 NSAE-00 SS-15 NSC-05 SP-02 FS-01 /064 R

DRAFTED BY TREAS:OS:SE:PSBRIDGES
APPROVED BY EUR/EE:N G ANDREWS
TREAS:OASIA:ITE:MSEARING (SUB)
EUR/EE:S FROMOWITZ
OES/APT:R ILLING (SUBS)
-----019196 170452Z /14
P 162140Z MAR 78
FM SECSTATE WASHDC
TO AMEMBASSY BELGRADE PRIORITY

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FOR WORTZEL FROM TREASURY -- BRIDGES

E.O. 11652: N/A

TAGS: EFIN

SUBJECT: LETTER FROM TREASURY SECRETARY BLUMENTHAL TO
FEDERAL SECRETARY FOR FINANCE CEMOVIC

1. PLEASE DELIVER FOLLOWING LETTER DATED MARCH 15, 1978
FROM SECRETARY OF THE TREASURY BLUMENTHAL TO FEDERAL
SECRETARY FOR FINANCE CEMOVIC.

2. BEGIN TEXT:

DEAR MR. SECRETARY:

IN YOUR LETTER OF NOVEMBER 24, 1977, YOU PROPOSE THAT
THE U.S. PAY AMERICAN ANNUITANTS RESIDING IN YUGOSLAVIA IN
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DOLLARS RATHER THAN IN U.S.-OWNED DINARS IN ORDER THAT U.S.
HOLDINGS OF DINARS WOULD BE AVAILABLE TO FINANCE COOPERA-
TIVE SCIENTIFIC, TECHNICAL, AND CULTURAL PROGRAMS IN
YUGOSLAVIA.

CAREFUL ANALYSIS OF THE COMPONENTS OF OUR DINAR EXPEND-
ITURES HAS SHOWN THAT WE CANNOT CHANGE TO DOLLAR PAYMENTS

AT THIS TIME. IT WOULD BE CONTRARY TO THE INTENT OF U.S.
LAW TO ALLOW DOLLAR PAYMENTS TO YUGOSLAV ANNUITANTS WHEN
SUCH PAYMENTS WOULD HAVE AN UNFAVORABLE EFFECT ON OUR

BALANCE OF PAYMENTS, AND WOULD RESULT IN AN EXCESSIVE
BUILD-UP OF U.S. GOVERNMENT-OWNED DINAR BALANCES.

IN LIGHT OF OUR DESIRE TO CONTINUE TO CONTRIBUTE TO
THE U.S.-YUGOSLAV JOINT FUND FOR COOPERATIVE SCIENTIFIC,
TECHNICAL, AND CULTURAL PROGRAMS, THE U.S. GOVERNMENT PLANS
TO SEEK A BUDGETARY APPROPRIATION TO FINANCE THE U.S. SHARE
OF THE JOINT FUND. SECRETARY OF STATE VANCE ADVISED
FOREIGN SECRETARY MINIC, WHO WAS HERE FOR THE STATE VISIT
OF PRESIDENT TITO, OF THIS INTENTION. I HOPE THAT THIS
WILL ENABLE US TO PURSUE THE USEFUL PROGRAMS WHICH THE
JOINT FUND SUPPORTS.

WITH BEST WISHES,

SINCERELY,

(SIGNED: W M BLUMENTHAL)

W. MICHAEL BLUMENTHAL

HIS EXCELLENCY
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MOMCILO CEMOVIC
FEDERAL SECRETARY FOR FINANCE
SOCIALIST FEDERAL REPUBLIC
OF YUGOSLAVIA
BELGRADE END TEXT.

3. SIGNED ORIGINAL FOLLOWS BY POUCH.

4. ABOVE LETTER SUPERSEDES SECRETARY'S LETTER OF
FEBRUARY 27 TO CEMOVIC, WHICH SHOULD BE DESTROYED. VANCE

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCE, PUBLIC CORRESPONDENCE
Control Number: n/a
Copy: SINGLE
Draft Date: 16 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE068034
Document Source: CORE
Document Unique ID: 00
Drafter: OS:SE:PSBRIDGES
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780118-0708
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780358/aaaabxgt.tel
Line Count: 104
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0ad5a1c5-c288-dd11-92da-001cc4696bcc
Office: ORIGIN TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3301107
Secure: OPEN
Status: NATIVE
Subject: LETTER FROM TREASURY SECRETARY BLUMENTHAL TO FEDERAL SECRETARY FOR FINANCE CEMOVIC
TAGS: EFIN, TRSY, (BLUMENTHAL, MICHAEL)
To: BELGRADE
Type: TE
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Review Markings:
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